

VZCZCXRO3481  
RR RUEHAO RUEHCD RUEHGA RUEHGD RUEHHA RUEHHC RUEHMC RUEHMT RUEHNG  
RUEHNL RUEHQU RUEHRD RUEHRG RUEHRS RUEHTM RUEHVC  
DE RUEHBR #0034/01 0091635  
ZNY CCCCC ZZH  
R 091635Z JAN 09  
FM AMEMBASSY BRASILIA  
TO RUEKJCS/SECDEF WASHDC  
RUEHC/SECSTATE WASHDC 3268  
INFO RUEHWH/WESTERN HEMISPHERIC AFFAIRS DIPL POSTS  
RUEHRG/AMCONSUL RECIFE 8898  
RUEHRI/AMCONSUL RIO DE JANEIRO 7082  
RUEHSO/AMCONSUL SAO PAULO 3324  
RUEKJCS/JOINT STAFF WASHDC  
RUEKDIA/DIA WASHDC  
RHEHNSC/NSC WASHDC  
RHMFISS/CDR USSOUTHCOM MIAMI FL

C O N F I D E N T I A L SECTION 01 OF 05 BRASILIA 000034

SIPDIS

DEPARTMENT FOR WHA/BSC AND PM/RSAT

E.O. 12958: DECL: 01/08/2019

TAGS: [PREL](#) [MARR](#) [BR](#)

SUBJECT: BRAZIL,S NEW DEFENSE STRATEGY--STRATEGY FOR  
DEVELOPMENT

REF: A. 08 SAO PAULO 268

[1](#)B. 08 BRASILIA 175

BRASILIA 00000034 001.2 OF 005

Classified By: Ambassador Clifford Sobel. Reason: 1.5 (d)

[1](#)1. (C) SUMMARY AND INTRODUCTION. On December 18, President Lula signed the National Defense Strategy, concluding a fifteen month drafting exercise. The document was principally drafted by Minister for Strategic Planning Roberto Mangabeira Unger, and it provides a security policy framework that places defense in the context of the government,s broader goal of national development. The strategy is built on the presumption that it is in Brazil,s interest to be "independent," that is able to project its military power as it wishes, able to produce its own military hardware and able to control strategic economic sectors, including space, cybernetics and nuclear power. Much of the document focuses on the future roles and structures for Brazil,s armed forces -- including updating equipment, promoting deployability and enhancing peacekeeping capabilities. It also devotes considerable space to issues such as nuclear energy, reducing imports and national civilian service that are only indirectly related to how Brazil,s armed forces will defend the country, but are crucial when defense is viewed in the context of a vision of a broader strategy for Brazil,s development into a world power. By linking reform of the security sector with the government,s broader development vision, the strategy places the military, for the first time since the end of military rule in 1985, into a prominent place on the national agenda and strengthens its case for increased resources. Comments on the strategy,s provisions for the Brazilian military will be reported septel. END SUMMARY AND INTRODUCTION.

[1](#)2. (SBU) On September 7 (Brazilian Independence Day) 2007, President Lula tasked Minister for Strategic Planning Roberto Mangabeira Unger to produce a National Defense Strategy paper within one year. Although Unger announced he had completed work on September 7, 2008, the new strategy was not signed by President Lula and published until December 18, reportedly because of concerns from the armed services that their inputs were not incorporated. The resulting document clearly includes many service priorities, especially in the area of equipment modernization, but the main focus of the document is less to outline future roles and structures for the military than to provide a context for the role of the

defense sector in the Brazilian state. The Defense Strategy is available online via the MOD website: [www.defesa.gov.br/eventos temporarios/2008/estrategia defesa nacional.pdf](http://www.defesa.gov.br/eventos temporarios/2008/estrategia defesa nacional.pdf) in Portuguese. An English version will be transmitted to Washington agencies when available.

¶3. (C) The Defense Strategy as approved by the government and signed by the President reflects the government,s overall priority: Brazil,s "development" into a modern world power and sets conditions for the Defense sector,s role in this development. In creating this strategy for the defense sector to contribute to development, Unger goes beyond a normal plan for restructuring the security sector to meet anticipated challenges and cites two other "axes" for work: strengthening defense industry and maintaining required military service in the context of a national service obligation. In the three main areas of the strategy (military reform, defense industry and national service), the document underlines the importance of acquiring control of the latest technology and of enhancing the role of the central government.

#### INDEPENDENCE -----

¶4. (C) The strategy for defense and development is built around the concept of "independence." In the government,s vision, Brazil should be able to control its own security and not have to go outside its own borders in order to equip its security forces. The strategy allows for "strategic partners," but these are seen as countries willing to transfer to Brazil technologies that will make Brazil more independent, not as collaborators in security operations. Similarly, where Brazil currently does not have the capability to produce defense equipment, it should, according

BRASILIA 00000034 002.2 OF 005

the document, seek to purchase the appropriate articles from foreign suppliers, but with the aim of allowing for domestic production. This point is clearly illustrated by the prescriptive language on acquisition of modern fighter aircraft which rejects the "extreme solution" of simply buying foreign-made planes and calls for the Air Force to either 1) purchase aircraft of which Brazil can then produce its own upgraded variant, or 2) purchase a minimal number of foreign planes which then can be augmented by domestic production of the same model. COMMENT: Given the relatively small number of aircraft to be ultimately acquired by the Air Force, neither option makes economic sense, but Unger places a greater importance on "independence" than military capability or efficient use of resources. END COMMENT.

¶5. (C) The strategy also repeatedly cites three sectors as being of critical importance for the independent development of the Brazilian state: space, cybernetics and nuclear, calling for Brazil to "control" these technologies. The strategy calls for enhanced Brazilian space launch capacity, satellite monitoring and surveillance and for Brazil to deploy its own GPS-type system. Cybernetics is listed as important for communications and information processing. Although, the strategy document acknowledges that as a member of the Nonproliferation Treaty (NPT), Brazil will not have nuclear weapons, it then states that for this reason, Brazil must therefore pursue nuclear power development as an element of security that is important for Brazil,s development. This stated connection to defense of the country serves as justification for inclusion of nuclear power as a strategic industry, albeit one whose importance is more relevant to development than security. (NOTE: Nuclear energy is, in fact, one of the strategic industries enumerated in GOB,s latest Industrial Policy, published in May - see ref c. The other Industrial Policy strategic sectors are defense industry, information technology, nanotechnology, biotechnology, and healthcare industry.)

#### MILITARY RESTRUCTURING

-----  
¶6. (C) The heart of the defense strategy is its plan for the restructuring of the Brazilian military. Specific comments on plans for each service and the Ministry of Defense (MOD) will be reported septel. Much of the restructuring strategy was contributed by the services and provides practical answers to key strategic questions about how Brazil will see to its own security over the next generation. Among the conclusions are that Brazil must focus on the three key areas of monitoring/controlling large areas, strategic mobility and military presence to provide security.

These areas contribute to the services, requirements for airlift, better communications, satellite reconnaissance and maritime domain awareness. The strategy notes the necessity of developing better joint service cooperation and the capabilities to conduct joint operations and the need for a professional civil service component in the Defense Ministry.

There is also a clear understanding that a country with pretensions to world power status will be asked to make greater contributions to United Nations peacekeeping operations. (Brazil currently ranks just below Uruguay in regional UNPKO participation.) The strategy therefore recognizes that as Brazilian capabilities increase, so should peacekeeping deployments.

#### DEFENSE INDUSTRY

-----

¶7. (SBU) The strategy paper,s most important goal for defense industry is to use the need to modernize the armed forces to acquire new technologies with applications for national development. To do so, the Government of Brazil is encouraged to offer tax incentives and legal benefits to these industries (tax and financing benefits are already provided under the May 2008 Industrial Policy). Unger also clearly states that commercial considerations, i.e. increased trade, must be considered subordinate to the country,s "strategic interest." Therefore, efficient use of resources and deployment of effective military capabilities are less important than stimulating domestic defense industries which are optimistically viewed as having future export potential. According to the strategy, industrial partnerships with non-Brazilian entities are advantageous as a means to reduce

BRASILIA 00000034 003.2 OF 005

dependence on foreign purchase -- when the main role in the partnership is played by the Brazilian side.

¶8. (SBU) In exchange for support for the growth of defense industries, the strategy proposes that the central government gain "special powers" over such industries, including through so-called "golden share" arrangements - government vetoes over designated corporate actions. Several press reports carried the story that the MOD would be seeking special taxes on private businesses that are perceived as benefiting from security (e.g. Petrobras) to pay the costs of their defense, but such a proposal is not included in the final document.

#### NATIONAL SERVICE

-----

¶9. (C) The strategy states that "the basis of national defense is the identification of the nation with the armed forces and the armed forces with the nation." For this reason, mandatory military service is viewed as essential for the future. The strategy states explicitly that the armed forces must "limit and reverse the tendency to lower the proportion of draftees and raise the proportion of professionals." Consistent with the overall goal of encouraging the Brazilian government,s vision of national development, military service is viewed primarily as a means of unifying the population and fostering greater social equality. The strategy document states specifically that its objectives include forcing higher socio-economic classes to provide a larger proportion of military draftees and opening more places in military academies to students from more diverse backgrounds.

¶10. (C) The means by which the strategy plans to democratize the armed forces will be a new form of national service. All young people will have to be available to the military which would be able to select the best qualified as its recruits. Everyone else would go into a "civil service" which would receive basic military training and be available for mobilization in the case of a national emergency of some sort. The strategy does not, however, provide any information as to what sort of national emergency would require the mobilization of potentially millions of poorly trained young Brazilians or how the basic training of about three million civil service members per year will be managed by the limited number of military professionals available.

#### REGIONAL FOCUS

¶11. (C) One of the most notable elements of the strategy has been the focus on the defense of the Amazon region. While the document notes that this region faces ongoing security challenges from uncontrolled borders and potential instability in neighboring states, it also indulges in the traditional Brazilian paranoia concerning the activities of non-governmental organizations and other shadowy foreign forces that are popularly perceived as potential threats to Brazil's sovereignty. The strategy calls for greater use of mobility and monitoring technology to improve security in the Amazon region and for the shifting of forces north as needed to improve security there.

¶12. (C) The strategy also calls for improved defense relations with other South American states, especially through the development of the South American Defense Council, although it notes that a main purpose of the council will be to enhance Brazil's defense industrial base through exports to its neighbors. The strategy concedes that Brazil will require greater capacity for participation in international peacekeeping, although increasing Brazil's deployments should be linked to restructuring of international organizations to give developing countries more important roles in their leadership.

#### COMMENTS

¶13. (C) The first sentence of the strategy portion of the document reads: "National defense strategy is inseparable from national development strategy." This point is key for understanding the document's purpose and why it was tasked to the Ministry of Strategic Planning and not the Defense Ministry. Not a defense strategy per se, the strategy is a

BRASILIA 00000034 004.2 OF 005

set of ideas for how Brazil's military, defense industry and national service can contribute to the goal of development. Nowhere in the strategy is the goal of development defined, but it seems to point toward a generally understood vision of Brazil as a major world power (with a UN Security Council seat), with strong state institutions and without threats to its security -- a situation described as "Brazil's proper place." By linking reform of the security sector with the government's broader development vision, the strategy places the military, for the first time since the end of military rule in 1985, into a prominent place on the national agenda and strengthens its case for increased resources.

¶14. (C) While the restructuring plans generally are consistent with the goal of a modern, more capable military, (leaving aside such politically popular white elephants as a nuclear powered submarine), the strategy document is silent on how resources will be found to cover the costs of expensive new hardware including aircraft carriers, satellite constellations and fighter production. Even ballpark estimates by embassy staff of possible modernization costs are far in excess of current defense budgets. The defense strategy as a whole is in some measure designed to address this question by linking defense to overall development goals, but it is likely that defense expenditures will not be

increased to the degree required to fulfill the shorter term goal of equipping the armed forces with cutting edge technology produced in Brazil.

¶15. (C) The other two "axes," defense industry and national service, have less to do with improving the military than with integrating national security with national development.

Some of the specific proposals in these areas (e.g., propping up inefficient industries, increasing conscription) actually could reduce the effectiveness of the military and divert resources from modernization. The emphasis on societal benefits over professionalism in military service is consistent with the views of a President and other government leaders who started in politics under the military government of the 1970s and 80s and want to ensure that the military's capacity to become involved in politics remains circumscribed. The socialist background of Lula's Workers' Party is clearly evident in the efforts at social engineering through mandatory national service at the cost of more effective defense.

¶16. (C) Perhaps the most significant Brazilian comment on the defense strategy has been the lack of comment. Most of the coverage in the Brazilian press relied on official press releases, in some cases, for example reporting inaccurately that the strategy would include the possible taxing of private business to pay for defense. Other coverage focused on a few headlines, including the construction of a nuclear submarine, possible redeployments of forces to the Amazon and protection of maritime oil fields. This may have been, in part, a reflection of the timing of the release as most Brazilians were heading away for the holidays. Embassy contacts do not seem to have read the document and regard it as a summation of already-known government views on defense. The document's legal status is also unclear. By signing, President Lula seems to have adopted it as national policy, but as many of the recommendations are non-concrete and would require further action to develop, it remains to be seen how much will be implemented. While Lula seems to pay attention to what Unger has to say, the degree to which the strategy's recommendations are implemented will be a good barometer of the Minister for Strategic Planning's real influence.

¶17. (C) Even if some of the more grandiose plans (nuclear submarines, universal military service) are never realized, there remains a great deal that Brazil can do consistent with the new defense strategy that will help it develop a more capable modern military. Focusing on deployability and using technology to help monitor the northern regions of the country are the optimal solutions to Brazil's strategic problem of controlling a vast, unpopulated territory. These plans create opportunities for U.S. business to partner with Brazilian counterparts and for the U.S. armed forces to engage in increased cooperation as Brazil's military seeks to modernize (See ref b). We should, however, expect that engagement with Brazil will increase only gradually,

BRASILIA 00000034 005.2 OF 005

particularly while the current government is in power. The strategy document looks at strategic partnerships primarily in terms of defense trade and technology transfer, but we should seek to open up the concept to include real security cooperation in areas of mutual interest. Such cooperation, however, must be gauged to be consistent with the Brazilian government's vision of defense as a means of national development.

SOBEL